

## AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other			Local Government Name Genesee County		County Genesee
Audit Date 9/30/04		Opinion Date 3/11/05		Date Accountant Report Submitted to State:	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

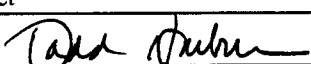
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☒ yes ☐ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ yes ☐ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1-968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91 ], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 1 00% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ yes ☒ no 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

**We have enclosed the following:**

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			X
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).		X	

Certified Public Accountant (Firm Name) BKR Dupuis & Ryden			
Street Address 111 East Court Street	City Flint	State MI	ZIP 48502
Accountant Signature 			

**Genesee County, Michigan**  
**OMB Circular A-133 Report**  
**For the Year Ended September 30, 2004**

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**Report on Compliance and on Internal Control  
over Financial Reporting Based on an Audit of  
Financial Statements Performed in Accordance  
with *Government Auditing Standards***

To the Board of Commissioners  
Genesee County, Michigan

We have audited the financial statements of Genesee County, Michigan as of and for the year ended September 30, 2004, and have issued our report thereon, dated March 11, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

**Compliance**

As part of obtaining reasonable assurance about whether Genesee County, Michigan's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*.

**Internal Control over Financing Reporting**

In planning and performing our audit, we considered Genesee County, Michigan's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board, management, and federal awarding agencies and pass-through entities and is not intended for and should not be used by anyone other than these specified parties.

*BKR Dupuis & Ryden*

Certified Public Accountants  
Flint Office

March 11, 2005

Report on Compliance with Requirements Applicable  
to Each Major Program and Internal Control over  
Compliance in Accordance with OMB Circular A-133

To the Board of Commissioners  
Genesee County, Michigan

**Compliance**

We have audited the compliance of Genesee County, Michigan with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2004. Genesee County, Michigan's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Genesee County, Michigan's management. Our responsibility is to express an opinion on Genesee County, Michigan's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Genesee County, Michigan's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Genesee County, Michigan's compliance with those requirements.

In our opinion, Genesee County, Michigan complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended September 30, 2004.

**Internal Control over Compliance**

The management of Genesee County, Michigan is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Genesee County, Michigan's internal control

over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

#### **Schedule of Expenditures of Federal Awards**

We have audited the basic financial statements of Genesee County, Michigan as of and for the year ended September 30, 2004, and have issued our report thereon dated March 11, 2005. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information of the Board, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*BKR Dupuis & Ryden*

Certified Public Accountants  
Flint Office

March 11, 2005

**Genesee County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended September 30, 2004**

Federal Grantor Program Title	Pass- through Project Number (4)
<u>U.S. Department of Agriculture:</u>	
Passed-through the Michigan Department of Agriculture: National School Lunch Program	
Passed-through the Michigan Department of Community Health: Special Supplemental Food Program for Women, Infants and Children	
Passed-through the Michigan Department of Education: Child and Adult Care Food Program Child and Adult Care Food Program	
Summer Food Service Program for Children	4266113300
Commodity Supplemental Food Program (Admin)	25-CSF-1010
Commodity Supplemental Food Program (Commodity)	25-CSF-1010
Temporary Emergency Food Assistance Program (Admin)	25000-1010-C
Temporary Emergency Food Assistance Program (Commodity)	25000-1010-C
Passed-through the Michigan Department of Labor and Economic Growth: State Administrative Matching Grants for Food Stamp Program State Administrative Matching Grants for Food Stamp Program State Administrative Matching Grants for Food Stamp Program State Administrative Matching Grants for Food Stamp Program	AY-04 AY-03 AY-04 AY-03
Passed-through the Michigan Department of Natural Resources: Forestry Grant	
Passed-through Valley Area Agency of Aging: Food Donation	
Total U.S. Department of Agriculture	
<u>U.S. Department of Commerce:</u>	
Direct Program: Economic Development Administration Revolving Loan Program	
Total U.S. Department of Commerce	
<u>U.S. Department of Housing and Urban Development:</u>	
Direct Programs: Community Development Block Grant Program Community Development Block Grant Program Community Development Block Grant Program Community Development Block Grant Program Community Development Block Grant Program Community Development Block Grant Program	B-96-UC-26-0001 B-97-UC-26-0001 B-98-UC-26-0001 B-99-UC-26-0001 B-00-UC-26-0001 B-01-UC-26-0001
<u>U.S. Department of Housing and Urban Development: - (continued)</u>	
Direct Programs: - (continued)	



Federal CFDA Number	Accrued or (Deferred) Revenue at September 30, 2003	Receipts or (Adjustments)	Disbursements/ Expenditures (Adjustments)	Accrued or (Deferred) Revenue at September 30, 2004
10.555	\$ 5,426	\$ 70,630	\$ 65,204	\$ -
10.557	-	1,286,501	1,286,501	-
10.558	-	198,815	198,815	-
10.558	-	17,444	17,444	-
10.559	188,581	310,622	254,331	132,290
10.565	159,941	295,794	288,899	153,046
10.565	(393,968)	897,620	992,935	(298,653)
10.568	93,408	216,497	190,135	67,046
10.569	-	687,307	687,307	-
10.561	-	265,136	221,354	(43,782)
10.561	2,500	2,500	-	-
10.561	-	-	1,881	1,881
10.561	71,602	71,602	-	-
10.677	-	9,300	9,300	-
10.550	-	232,656	232,656	-
	<u>\$ 127,490</u>	<u>\$ 4,562,424</u>	<u>\$ 4,446,762</u>	<u>\$ 11,828</u>
11.307	\$ -	\$ 275,275	\$ 275,275	\$ -
	<u>\$ - 0 -</u>	<u>\$ 275,275</u>	<u>\$ 275,275</u>	<u>\$ - 0 -</u>
14.218 *	\$ -	\$ 296,489	\$ 296,489	\$ -
14.218 *	-	(118,164)	(118,164)	-
14.218 *	41,471	(406,854)	(448,325)	-
14.218 *	-	347,028	347,028	-
14.218 *	-	(135,807)	(135,807)	-
14.218 *	67,840	168,493	100,653	-

(continued)

**Genesee County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended September 30, 2004**

Federal Grantor Program Title	Pass- through Project Number (4)
Community Development Block Grant Program	B-02-UC-26-0001
Community Development Block Grant Program	B-03-UC-26-0001
Community Development Block Grant Program	B-04-UC-26-0001
Emergency Shelter Grants Program	S-01-UC-26-0001
Emergency Shelter Grants Program	S-02-UC-26-0001
Emergency Shelter Grants Program	S-03-UC-26-0001
Emergency Shelter Grants Program	S-04-UC-26-0001
Supportive Housing Program	MI28B105004
Shelter Plus Care Program	MI28C105006
HOME Program	M-93-UC-26-0205
HOME Program	M-94-UC-26-0205
HOME Program	M-95-UC-26-0205
HOME Program	M-96-UC-26-0205
HOME Program	M-97-UC-26-0205
HOME Program	M-98-UC-26-0205
HOME Program	M-99-UC-26-0205
HOME Program	M-00-UC-26-0205
HOME Program	M-01-UC-26-0205
HOME Program	M-02-UC-26-0205
Passed through the Michigan Department of Community Health:	
Housing Opportunities for Persons with AIDS	
Lead Based Paint Hazard Control	
Passed through the City of Flint, MI:	
Community Development Block Grant Program	
Community Development Block Grant Program	
Community Development Block Grant Program	
Emergency Shelter Grants Program	
Emergency Shelter Grants Program	
Emergency Shelter Grants Program	
HOME Program	
HOME Program	
Passed through Metro Housing Partnership:	
Supportive Housing Program	
Supportive Housing Program	MI28B005005
Supportive Housing Program	MI28B905005
Supportive Housing Program	MI28B305002R
Supportive Housing Program	MI28B305004R
<u>U.S. Department of Housing and Urban Development: - (continued)</u>	

Total U.S. Department of Housing and Urban Development

Federal CFDA Number	Accrued or (Deferred) Revenue at September 30, 2003	Receipts or (Adjustments)	Disbursements/ Expenditures (Adjustments)	Accrued or (Deferred) Revenue at September 30, 2004
14.218 *	100,559	1,631,540	1,458,203	(72,778)
14.218 *	114,347	662,818	698,456	149,985
14.218 *	-	57,287	80,056	22,769
14.231	-	4,850	4,850	-
14.231	-	11,293	12,164	871
14.231	7,757	85,600	80,623	2,780
14.231	-	12,552	30,516	17,964
14.235	43,712	67,068	57,368	34,012
14.238	4,317	194,144	208,029	18,202
14.239	-	28,711	28,711	-
14.239	-	(25,756)	(25,756)	-
14.239	342	(457,257)	(457,599)	-
14.239	-	611,531	611,531	-
14.239	5,000	725,594	720,594	-
14.239	63,415	353,787	290,372	-
14.239	-	57,260	69,301	12,041
14.239	150,000	(725,780)	(814,384)	61,396
14.239	-	101,232	115,736	14,504
14.239	-	(43,817)	500	44,317
14.241	-	163,539	163,539	-
14.900	-	90,000	90,000	-
14.218 *	361,497	287,013	386,974	461,458
14.218 *	544,137	585,480	51,743	10,400
14.218 *	280,416	740,579	719,584	259,421
14.231	398	398	-	-
14.231	-	10,037	27,979	17,942
14.231	1,175	1,175	-	-
14.239	75,797	100,258	179,161	154,700
14.239	-	-	133,032	133,032
14.235	40,045	224,091	257,270	73,224
14.235	171,877	200,766	28,889	-
14.235	14,450	27,434	12,984	-
14.235	-	-	107,240	107,240
14.235	-	-	15,790	15,790
	\$ 2,088,552	\$ 5,934,612	\$ 5,385,330	\$ 1,539,270

(continued)

**Genesee County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended September 30, 2004**

Federal Grantor Program Title	Pass- through Project Number (4)
<u>U.S. Department of Interior:</u>	
Passed-through the Midwest National Park Service:	
Outdoor Recreation, Acquisition, Development and Planning	26-049-CNTY-02-01
Total U.S. Department of Interior	
<u>U.S. Department of Justice:</u>	
Direct Programs:	
National Institute of Justice Research, Evaluation and Development	2002-GP-CX-0047
Local Law Enforcement Block Grants Program	98-LB-VX-6343
Local Law Enforcement Block Grants Program	2002-LB-BX-2574
Local Law Enforcement Block Grants Program	2003-LB-BX-2177
Community Prosecution and Safe Neighborhoods	2003-PP-CX-0009
Community Prosecution and Safe Neighborhoods	2002-PP-CX-0020
Public Safety Partnership and Community Policing Grants	2000SHWX0110
Passed-through the Michigan Department of Community Health:	
Crime Victim Assistance	20545-6V01
Passed-through the Michigan Department of Community Health:	
Byrne Formula Grant Program	9XDBVX0026
Byrne Formula Grant Program	9XDBVX0026
Byrne Formula Grant Program	ODCP 72037-1K02
Byrne Formula Grant Program	2036-1K02/SCAO-2203
Passed-through the Michigan Department of Family Independence Agency:	
Juvenile Accountability Incentive Block Grant	JAIBG-03-25001
Juvenile Accountability Incentive Block Grant	JAIBG-04-25001
Passed-through the Michigan Supreme Court:	
Byrne Formula Grant Program	
Total U.S. Department of Justice	
<u>U.S. Department of Labor:</u>	
Passed-through the Michigan Department of Labor and Economic Growth:	
Employment Service	AY-04
Employment Service	AY-02
Employment Service	AY-03
<u>U.S. Department of Labor: - (continued)</u>	
Passed-through the Michigan Department of Labor and Economic Growth: - (continued)	
Trade Adjustment Assistance	AY-04
Welfare to Work	AY-04
Welfare to Work	AY-02

Federal CFDA Number	Accrued or (Deferred) Revenue at September 30, 2003	Receipts or (Adjustments)	Disbursements/ Expenditures (Adjustments)	Accrued or (Deferred) Revenue at September 30, 2004
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15.919	\$ 147,266	\$ 383,240	\$ 235,974	\$ -
	\$ 147,266	\$ 383,240	\$ 235,974	\$ - 0 -

16.560	\$ 50,835	\$ -	\$ 120,000	\$ 170,835
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16.592	10,014	-	(10,014)	-
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16.592	(61,416)	-	61,416	-
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16.592	-	97,159	83,181	(13,978)
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16.609	-	85,775	124,536	38,761
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16.609	6,287	6,287	-	-
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16.710	65,790	8,978	-	56,812
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16.575	9,682	42,339	40,909	8,252
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16.579	11,633	130,727	139,178	20,084
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16.579	14,018	66,855	53,627	790
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16.579	17,268	37,268	20,000	-
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16.579	452	24,037	25,811	2,226
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16.523	15,279	122,488	107,209	-
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16.523	-	81,106	110,983	29,877
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16.579	-	44,405	158,813	114,408
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\$ 139,842	\$ 747,424	\$ 1,035,649	\$ 428,067
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17.207	\$ -	\$ -	\$ 104,513	\$ 104,513
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17.207	(200,000)	(200,000)	-	-
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17.207	155,512	965,078	809,566	- (continued)
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17.245	-	153,238	270,293	117,055
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17.253	-	87,078	86,632	(446)
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17.253	235,016	235,016	-	-
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**Genesee County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended September 30, 2004**

Federal Grantor Program Title	Pass- through Project Number (4)
Welfare to Work	AY-04
WIA Adult Program	AY-04
WIA Adult Program	AY-03
WIA Adult Program	AY-03
WIA Adult Program	AY-02
WIA Adult Program	AY-04
WIA Youth Activities	AY-04
WIA Youth Activities	AY-03
WIA Youth Activities	AY-03
WIA Youth Activities	AY-02
WIA Youth Activities	AY-04
WIA Dislocated Workers	AY-03
WIA Dislocated Workers	AY-04
WIA Dislocated Workers	AY-03
WIA Dislocated Workers	AY-03
WIA Dislocated Workers	AY-02
WIA Dislocated Workers	AY-04
WIA Dislocated Workers	
Reed Act Workfirst	AY-03
Reed Act Workfirst	AY-04
Reed Act SCO	AY-02
Reed Act SCO	AY-04
Reed Act Accessibility	AY-02
Reed Act Accessibility	AY-04
Total U.S. Department of Labor	
<u>U.S. Department of Transportation:</u>	
Passed-through the Genesee County Road Commission:	
Highway Planning and Construction	
Passed-through the Michigan Department of Transportation:	
Highway Planning and Construction	50151
Highway Planning and Construction	73489
Highway Planning and Construction	77412
Highway Planning and Construction	546590
Highway Planning and Construction	727390
<u>U.S. Department of Transportation: - (continued)</u>	
Passed-through the Michigan Department of Transportation: - (continued)	
Highway Planning and Construction	766440
Federal Transit Metropolitan Planning Grants	73591
Federal Transit Metropolitan Planning Grants	77177

Passed-through the Office of Highway and Safety Planning:

Federal CFDA Number	Accrued or (Deferred) Revenue at September 30, 2003	Receipts or (Adjustments)	Disbursements/ Expenditures (Adjustments)	Accrued or (Deferred) Revenue at September 30, 2004
17.253	-	43,316	43,316	-
17.258 *	-	201,427	688,389	486,962
17.258 *	38,757	247,939	209,182	-
17.258 *	378,228	2,504,286	2,126,058	-
17.258 *	5,068	5,971	-	(903)
17.258 *	-	51,250	153,577	102,327
17.259 *	-	206,911	723,213	516,302
17.259 *	43,909	280,893	236,984	-
17.259 *	779,430	2,487,130	1,707,700	-
17.259 *	5,749	6,772	-	(1,023)
17.259 *	-	57,681	172,848	115,167
17.260 *	169,098	169,098	-	-
17.260 *	-	106,044	394,590	288,546
17.260 *	41,078	262,785	221,707	-
17.260 *	146,882	1,808,662	1,661,780	-
17.260 *	5,376	6,333	-	(957)
17.260 *	-	56,507	169,331	112,824
17.260 *	-	122,828	256,965	134,137
17.unknown *	2,687,611	2,687,611	-	-
17.unknown *	-	5,165,810	6,738,875	1,573,065
17.unknown *	(3,416)	(3,416)	-	-
17.unknown *	-	169,570	191,048	21,478
17.unknown *	792	792	-	-
17.unknown *	-	-	15,935	15,935
	\$ 4,489,090	\$ 17,886,610	\$ 16,982,502	\$ 3,584,982

20.205 *	\$ -	\$ 3,138,327	\$ 3,138,327	\$ -
20.205 *	-	-	87,158	87,158
20.205 *	178,380	178,380	-	-
20.205 *	-	219,555	333,691	114,136
20.205 *	17,055	17,055	-	-
20.205 *	15,749	15,749	-	-
20.205 *	-	9,102	32,789	23,687
20.505	404	404	-	-
20.505	-	52,656	88,518	35,862

(continued)

**Genesee County, Michigan  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2004**

Federal Grantor Program Title	Pass- through Project Number (4)
Highway Safety Project	J8-00-18-LE
Passed-through the Michigan Department of State Police Emergency Management Division: Hazardous Materials Emergency Preparedness	
Total U.S. Department of Transportation	
<u>Environmental Protection Agency:</u> Passed-through the Michigan Department of Environmental Quality: Nonpoint Source Implementation Grant	2002-0003
Total Environmental Protection Agency	
<u>U.S. Department of Energy:</u> Passed-through the Michigan Family Independence Agency: Weatherization Assistance Program Weatherization Assistance Program	DOE-03-25012 DOE-04-25012
Total U.S. Department of Energy	
<u>U.S. Department of Education:</u> Passed-through the Genesee County Intermediate School District: Rehabilitation Services - Vocational Rehabilitation Grants Safe and Drug-Free Schools and Communities	
Total U.S. Department of Education	
<u>U.S. Department of Health and Human Services:</u> Direct programs: Head Start (1) Head Start (1) Head Start (1) Head Start (1) Head Start (1) Head Start (1)	
<u>U.S. Department of Health and Human Services: - (continued)</u> Direct programs: - (continued) Early Head Start Early Head Start	
REACH	
Passed-through the Michigan Department of Labor and Economic Growth: Temporary Assistance for Needy Families	AY-03



Federal CFDA Number	Accrued or (Deferred) Revenue at September 30, 2003	Receipts or (Adjustments)	Disbursements/ Expenditures (Adjustments)	Accrued or (Deferred) Revenue at September 30, 2004
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20.600	1,500	1,500	-	-
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20.703	-	3,851	3,851	-
	\$ 213,088	\$ 3,636,579	\$ 3,684,334	\$ 260,843

66.460	\$ 30,444	\$ 78,971	\$ 83,169	\$ 34,642
	\$ 30,444	\$ 78,971	\$ 83,169	\$ 34,642

81.042	\$ (22,003)	\$ 588,271	\$ 610,274	\$ -
81.042	-	254,071	354,964	100,893
	\$ (22,003)	\$ 842,342	\$ 965,238	\$ 100,893

84.126	\$ 6,748	\$ 6,748	\$ -	\$ -
84.184	-	69,819	93,596	23,777
	\$ 6,748	\$ 76,567	\$ 93,596	\$ 23,777

93.600 *	\$ 2,608,038	\$ 2,581,087	\$ 1,700,670	\$ 1,727,621
93.600 *	1,894,230	11,344,416	11,602,907	2,152,721
93.600 *	45,783	45,783	1,876	1,876
93.600 *	4,411	68,439	99,221	35,193
93.600 *	39,702	919,897	1,154,351	274,156
93.600 *	542,108	541,411	94,523	95,220

(continued)

93.600 *	482	482	600	600
93.600 *	-	4,529	11,064	6,535

93.945	452,146	969,653	924,974	407,467
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93.558 *	613,778	613,778	-	-
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**Genesee County, Michigan  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2004**

Federal Grantor Program Title	Pass- through Project Number (4)
Temporary Assistance for Needy Families	AY-04
Passed-through the Michigan Departments of Community Health, Mental Health, and Family Independence Agency: Project Grants and Cooperative Agreements for TB Control Projects for Transition from Homelessness Childhood Lead Poisoning Prevention Family Planning Services	
Immunization Program Immunization Registry	
Centers for Disease Control and Prevention Centers for Disease Control and Prevention	
Promoting Safe and Stable Families	FID-02-25001-2
Temporary Assistance to Needy Families Temporary Assistance to Needy Families Temporary Assistance to Needy Families	TANF-03-25012 DEL-00-25001-3
Child Support Enforcement (2) Child Support Enforcement (2) Child Support Enforcement (2) Child Support Enforcement (2)	CS/FOC-04-25001 CS/MED-03-25001 CS/FOC-04-25001 CS/PA-04-25002
Low Income Home Energy Assistance Low Income Home Energy Assistance Low Income Home Energy Assistance Low Income Home Energy Assistance	LIHEAP-04-25012 LIHEAP-03-25012 LCA03-25012 REACH-02-25012
Community Service Block Grants Community Service Block Grants	CSBG-04-25012 CSBG-E-04-25012
Foster Care - Title IV-E	PROFC-00-25001
Medical Assistance Program Medical Assistance Program	
<u>U.S. Department of Health and Human Services: - (continued)</u>	
Passed-through the Michigan Departments of Community Health, Mental Health, and Family Independence Agency: - (continued)	
Medical Assistance Program Medical Assistance Program Medical Assistance Program	
Breast and Cervical Cancer Early Detection Programs HIV Prevention Activities - Health Department Based Block Grants for Community Mental Health Services Block Grants for Prevention and Treatment of Substance Abuse	

Federal CFDA Number	Accrued or (Deferred) Revenue at September 30, 2003	Receipts or (Adjustments)	Disbursements/ Expenditures (Adjustments)	Accrued or (Deferred) Revenue at September 30, 2004	
93.558 *	-	3,062,314	3,448,530	386,216	
93.116	121	38,668	38,547	-	
93.150	10,893	62,369	64,290	12,814	
93.197	-	26,665	26,665	-	
93.217	1,233	175,180	173,947	-	
93.268	45,003	45,003	-	-	
93.268	-	206,249	206,249	-	
93.283	-	409,129	409,129	-	
93.283	-	28,746	28,746	-	
93.556	115,299	614,090	521,173	22,382	
93.558 *	4,934	27,136	24,750	2,548	
93.558 *	36,949	139,015	124,296	22,230	
93.558 *	31,119	167,786	163,862	27,195	
93.563 *	-	233,136	233,136	-	
93.563 *	48,346	152,230	152,129	48,245	
93.563 *	759,814	2,877,535	2,994,650	876,929	
93.563 *	170,429	870,306	854,270	154,393	
93.568	140,957	140,957	-	-	
93.568	-	293,063	307,775	14,712	
93.568	113,381	113,381	-	-	
93.568	15,124	135,473	119,438	(911)	
93.569	169,387	863,835	785,257	90,809	
93.569	-	14,843	14,843	-	
93.658	3,270	35,564	38,407	6,113	
93.778	213,524	782,839	671,760	102,445	
93.778	9,079	58,460	49,381	-	(continued)
93.778	85,784	85,784	-	-	
93.778	-	1,416	1,416	-	
93.778	-	42,060	42,060	-	
93.919	6,166	87,980	81,814	-	
93.940	-	68,639	68,639	-	
93.958	149,297	334,641	232,188	46,844	
93.959 *	992,000	5,150,137	4,158,137	-	

**Genesee County, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended September 30, 2004**

Federal Grantor Program Title	Pass- through Project Number (4)
Preventive Health and Health Services Block Grant (STD)	
Preventive Health and Health Services Block Grant (STD)	
Maternal and Child Health Services Block Grant	
Maternal and Child Health Services Block Grant	
Maternal and Child Health Services Block Grant	
Maternal and Child Health Services Block Grant	
Maternal and Child Health Services Block Grant	
Passed-through the Valley Area Agency of Aging: Special Programs for the Aging - Title III-C	GCCARD/SF-03
Total U.S. Department of Health and Human Services	
<u>U.S. Department of Homeland Security:</u>	
Passed-through the Michigan Department of State Police:	
State Domestic Preparedness Equipment Support Program	
State Domestic Preparedness Equipment Support Program	
State Domestic Preparedness Equipment Support Program	
State Domestic Preparedness Equipment Support Program	
State Domestic Preparedness Equipment Support Program	
State Domestic Preparedness Equipment Support Program	
All Hazards Emergency Operations Planning	
Citizens Corps	
Citizens Corps	
Passed-through the United Way:	
Emergency Food and Shelter National Board Program	
Total U.S. Department of Homeland Security	
Total Federal Financial Assistance (3)	

\* Denotes a major program.

Federal CFDA Number	Accrued or (Deferred) Revenue at September 30, 2003	Receipts or (Adjustments)	Disbursements/ Expenditures (Adjustments)	Accrued or (Deferred) Revenue at September 30, 2004
93.991	-	83,919	83,919	-
93.991	-	61,719	61,719	-
93.994	4,184	57,418	53,234	-
93.994	-	234,745	234,745	-
93.994	-	137,000	137,000	-
93.994	280	280	-	-
93.994	238,220	768,298	745,189	215,111
93.635	244,013	1,220,011	1,026,108	50,110
	<u>\$ 9,809,484</u>	<u>\$ 36,997,494</u>	<u>\$ 33,967,584</u>	<u>\$ 6,779,574</u>
97.004	\$ 48,740	\$ 152,630	\$ 103,890	\$ -
97.004	-	1,135	1,135	-
97.004	-	159,291	159,291	-
97.004	-	-	4,577	4,577
97.004	-	10,280	21,457	11,177
97.004	-	1,464	2,804	1,340
97.051	16,097	35,530	19,433	-
97.053	-	39,958	39,958	-
97.053	-	8,031	15,924	7,893
97.024	-	37,772	37,772	-
	<u>\$ 64,837</u>	<u>\$ 446,091</u>	<u>\$ 406,241</u>	<u>\$ 24,987</u>
	<u>\$ 17,094,838</u>	<u>\$ 71,867,629</u>	<u>\$ 67,561,654</u>	<u>\$ 12,788,863</u>

**Genesee County, Michigan**  
**Schedule of Expenditures of Federal Awards – (continued)**  
**For the Year Ended September 30, 2004**

**NOTES:**

- (1) The Head Start Program grantee is required to contribute at least 20 percent of the cost of the program through cash or in-kind contributions. The Head Start program costs for grant year ending July 31, 2004, totaled \$18,541,258, of which \$3,713,286, or 20% percent, represents in-kind contributions.
- (2) The Child Support Enforcement Program grantee and the State of Michigan are required to contribute approximately 24 percent of the administrative costs of the Prosecuting Attorney Co-op Reimbursement and Friend of the Court Co-op Reimbursement Programs, the costs of which totaled \$1,961,287 and \$4,134,776, respectively. County contributions totaled \$1,017,203. State contributions, not reported separately to Genesee County, Michigan, are provided to bring the required contribution to at least 24 percent.
- (3) In the County's Comprehensive Annual Financial Report, a total of \$58,521,771 was reported as Federal Revenue in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances. In addition, \$3,413,602 of federal revenue was reported from component units. Approximately \$5,626,281 was classified as state grants and other revenues based upon their "Pass-Through" nature.
- (4) Information pertaining to "Program or Award Amount" is not provided due to the fact that many grants are based upon a fiscal year other than September 30, 2004, and to convert program or award amounts of two fiscal years to a September 30 fiscal year basis would be arbitrary and would not provide meaningful information. Also, we have not provided "Pass-Through Grantors' Number" in all cases due to the general lack of availability of such information.
- (5) Accrued revenue at October 1, 2003 has been restated to reflect the proper allocations between state and federal funds or classification under CFDA numbers.

**Genesee County, Michigan**  
**Schedule of Expenditures of Federal Awards – (continued)**  
**For the Year Ended September 30, 2004**

NOTES:

- (6) The following is a reconciliation of certain Federal Program transactions between the County's 2004 Comprehensive Annual Financial Report (CAFR) and Schedule of Expenditures of Federal Awards (SEFA).

	<u>Federal Expenditures</u>
Department of Justice:	
Victims of Crime Act	\$ 40,909
Juvenile Accountability Incentive Block Grant	218,192
Bryne Formula Grant	25,811
Department of Health and Human Services:	
Temporary Assistance to Needy Families 93.558	163,862
Child Support Enforcement 93.563	4,234,185
Foster Care Title IV-E 93.658	<u>38,407</u>
Amounts per SEFA schedule	4,721,366
Federal revenues – Administration of Justice	
Funds per page 80 – County CAFR	4,231,501
General Fund page 28 – County CAFR	<u>155,534</u>
Variance – reported in State revenues	<u>\$ 334,331</u>
Department of Justice:	
National Institute of Justice Research, Eval and Develp	\$ 120,000
Local Law Enforcement Grant	134,583
Bryne Formula Grant	297,991
Department of Transportation:	
Hazardous Materials Emergency Preparedness	3,851
Department of Homeland Security:	
State Domestic Preparedness Equipment Support Program	293,154
Citizens Corps	55,882
All Hazards Emergency Operation Planning	<u>19,433</u>
Amounts per SEFA schedule	924,894
Federal revenues – Law Enforcement	
Funds per page 81– County CAFR	<u>946,894</u>
Variance – should have been reported in other	<u>\$ 22,000</u>
Department of Justice:	
Community Prosecution and Safe Neighborhoods	\$ 124,536
Bryne Formula Grant	73,627
Department of Housing and Urban Development:	
Community Development Block Grant	771,327
Environmental Protection Agency:	
Nonpoint Source Implementation Grant	<u>83,169</u>
Amounts per SEFA schedule	1,052,659
Federal revenues – Community Enrichment and Development funds per page 81 – CAFR	<u>281,332</u>
Variance – reported in other revenues	<u>\$ 771,327</u>

**Genesee County, Michigan**  
**Schedule of Expenditures of Federal Awards – (continued)**  
**For the Year Ended September 30, 2004**

**NOTES:**

- (7) The total value of the EDA loan program at September 30, 2004 is detailed as follows:

Total value at September 30, 2003	\$1,294,966
Add: Interest received on loan payments and bank interest	44,156
Other fees received	5,329
Less: Administrative costs	<u>25,275</u>
Total value at September 30, 2004	<u>\$1,319,176</u>

Of the total value balance, cash and principle loan receivable balances were \$615,651 and \$749,575, respectively.

- (8) Basis of accounting:

The schedule has been prepared on the accrual basis of accounting.

- (9) Non-cash assistance:

During 2004, non-cash assistance was provided in the form of food commodities, Women/Infant/Children (WIC) coupons, and immunizations. The food commodities expended were \$1,680,242, the WIC coupons expended estimated at \$6,218,872, and immunizations expended were \$1,734,019.



**Genesee County, Michigan**  
**Schedule of Findings and Questioned Costs**  
**Year Ended September 30, 2004**

**Section I - Summary of Auditor's Results**

**Part I**

1. Did the auditee expend more than \$25,000,000  
in federal awards during the fiscal year?   X   Yes        No
2. If answer to question 1 was yes, indicate which  
federal agency provided the predominant amount  
of direct funding. Health and Human Services

**Part II – Financial Statements**

Type of auditor's report issued: Unqualified

Going concern explanatory paragraph included        Yes   X   No

Internal control over financial reporting:

Material weakness(es) identified?        Yes   X   No

Reportable condition(s) identified

Not considered to be material weaknesses?        Yes   X   None reported

Noncompliance material to financial statements  
noted?        Yes   X   No

Findings related to the financial statements reported in accordance with *Governmental Auditing Standards*: None

**Part III – Federal Programs**

Type of auditor's report issued on compliance  
for major programs: Unqualified

Does the auditor's report include a statement  
that the auditee's financial statements include  
departments, agencies, or other organizational  
units expending greater than \$300,000 in Federal  
awards that have separate A-133 audits which are  
not included in this audit?        Yes   X   No

Dollar threshold used to distinguish  
between Type A and Type B programs \$2,026,850

Auditee qualified as low-risk auditee        Yes   X   No

(continued)

**Genesee County, Michigan**  
**Schedule of Findings and Questioned Costs – (continued)**  
**Year Ended September 30, 2004**

**Part III – Federal Programs – (continued)**

Is a reportable condition disclosed for any major program?           Yes              X   No

Is any reportable condition reported as a material weakness?           Yes              X   No

Are any known questioned costs reported?                                   Yes              X   No

Was a Summary Schedule of Prior Audits Findings Prepared?   X   Yes                   No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>14.218</u>	<u>Community Development Block Program</u>
<u>17.258 - 17.260</u>	<u>Work Investment Act</u>
<u>17.XXX</u>	<u>Reed Act</u>
<u>20.205</u>	<u>Highway Research and Planning</u>
<u>93.558</u>	<u>TANF</u>
<u>93.563</u>	<u>Child Support Enforcement</u>
<u>93.600</u>	<u>Headstart</u>
<u>93.959</u>	<u>Block Grants for Treatment of Substance Abuse</u>

Findings and questioned costs relating to federal awards:

None

**Genesee County, Michigan  
Prior Year Findings  
For the Year Ended September 30, 2004**

None